PART IV

Section 1-A

CENTRAL BILLS AND REPORTS OF SELECT COMMITTEES THEREON

NOTIFICATION

(LAW DEPARTMENT)

No. LAW 113 *LCA* 65, *Bangalore, dated 4th February* 1966.

Ordered that the Displaced persons (Compensation and Rehabilitation) Amendment Bill, 1965 (Lok Sabha Bill No. 84 of 1965) which has been published in the *Gazette of India*, Extraordinary, Part II, Section 2, dated the 6th December 1965, be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore.

H. K. ANANTHASUBBA RAO,
Under Secretary to Government,
Law Department.

26

LOK SABHA

The following Bills were introduced in Lok Sabha on the 6th December, 1965 :—

BILL NO. 84 OF 1965

A Bill further to amend the Displaced Person (Compensation and Rehabilitation) Act, 1954.

BE it enacted by Parliament in the Sixteenth Year of the Republic of India as follows :—

1. *Short title.*—This Act may be called the Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1965.

2. *Insertion of new section* 8A.—In the Displaced Persons (Compensation and Rehabilitation) Act, 1954 (44 of 1954), after section 8, the following section shall be, and shall be deemed always to have been, inserted, namely:—

"8A. *Payment of compensation in cases of mortgaged properties.*—(1) Where any compensation is payable to any displaced person in lieu of property abandoned by him in West Pakistan which on the date of his migration from West Pakistan was subject to a mortgage in favour of a person who is not resident in India, the Settlement Commissioner shall, after giving a reasonable notice to the displaced person, determine the principal sum for which the property was so mortgaged and such portion of the principal sum so determined as bears the same proportion as the compensation payable to the displaced person bears to the value of the verified claim of the displaced person in respect of that mortgaged property shall be deductible from the compensation payable in respect of the mortgaged property :

Provided that where compensation has been paid to any displaced person without such deduction having been made, the displaced person shall pay to the Central Government the amount of such deduction within three months of the determination thereof or such longer period as may be prescribed :

Provided further that where compensation has been paid to any displaced person by sale or any other mode of transfer to him of any property from the compensation pool, the displaced person may, within the aforesaid period of three months or, as the case may be, within the aforesaid prescribed period,—

(*a*) either retain the property on his paying in cash the aforesaid amount, or

(*b*) surrender a portion of that property of a value equivalent to the amount of such deduction, such value being determined by the Settlement Commissioner in the prescribed manner.

(2) If any displaced person fails to pay any amount which is liable to be deducted from his compensation under sub-section (1), or fails to surrender the property of the value equivalent to such amount, such amount may be recovered in the same manner as an arrear of land revenue."

STATEMENT OF OBJECTS AND REASONS

Certain difficulties are being experienced in the administration of the Displaced Persons (Compensation and Rehabilitation) Act, 1954 and the early completion of the compensation scheme is thus impeded. Some of the properties left by the displaced persons in West Pakistan were subject to mortgages with the nationals of West Pakistan and it was therefore considered that proportionate deductions should be made from the compensation due to them on that account. Accordingly with a view to recovering the amounts of such deductions executive directions were issued in this behalf by the Punjab Government. In a writ petition before the High Court of Punjab the issue of these directions was challenged. The High Court held that the departmental authorities had not been empowered by law to realise the amounts of such deductions. It is, therefore, necessary that a suitable provision should be made in the Act for effecting the recovery of a portion of the compensation already paid to the displaced persons in lieu of the mortgage amounts received by them. Option is being given to the displaced persons either to retain the property on their paying in cash the amount so deductible or to surrender the portion of the property of a value equivalent to the amount of such deduction and on failure of payment of such amount, it is proposed to recover the amount in the same manner as an arrear of land revenue.

The Bill seeks to achieve these objects.

NEW DELHI; MAHAVIR TYAGI.

The 25th November, 1965.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clause 2 of the Bill inserts a new section 8A in which it is provided that where compensation has been paid to a displaced person without any deduction having been made on account of the mortgage money received by him, such displaced person shall pay to the Central Government the amount of such deduction within three months of the determination thereof or such longer period as may be prescribed. There may be cases where it may be more appropriate to allow longer period for the discharge of the aforesaid liability.

The aforesaid new section gives option to a displaced person to surrender a portion of the property allotted to him of a value equivalent to the amount deductible under the section, such value being determined in the prescribed manner.

The delegation of the aforesaid power relates to matters of detail or procedure and is thus of a normal character.

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